

BEFORE THE ARIZONA CORPORATIO... RECEIVED **COMMISSIONERS**

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AZ CORP COMMISSION DOCKET CONTROL

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GARY PIERCE PAUL NEWMAN

SANDRA D. KENNEDY

BOB STUMP

Arizona Corporation Commission DOCKETED

FEB - 3 2010

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF FARMERS WATER CO., AN ARIZONA CORPORATION, FOR A **DETERMINATION OF THE** CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES FOR UTILITY SERVICE.

DOCKET NO. W-01654A-08-0502

FARMERS WATER CO.'S NOTICE OF FILING WATER LOSS REPORTS

Farmers Water Co. ("Farmers") hereby files its Water Loss Reports for the Sahuarita (PWS10-048); Continental (PWS10-049); Santa Rita Springs (PWS10-213); and Sahuarita Highlands (PWS10-414) water systems for the calendar year 2009.

The Recommended Opinion and Order ("ROO") dated January 19, 2010, adopted Staff's unopposed recommendation in the case, that Farmers file a Water Loss Report with Docket Control as a compliance item in this docket. Such report is to indicate the water loss for each system for the year end December 31, 2009. If water loss for any of the systems is not less than 10%, the report should contain a description of corrective measures demonstrating how the company will reduce its water loss to less than 10% and/or a detailed cost analysis and explanation demonstrating why water loss reduction to less than 10% is not cost effective.

Based upon the above-referenced Water Loss Reports which are attached here as

Exhibit A, water loss for the Sahuarita, Continental, Santa Rita Springs, and Sahuarita 1 Highlands systems for calendar year ending 2009 was 4.60%, 8.17%, 3.83% and -1.08% 2 3 respectively. Because water loss for each of these systems was below 10% for calendar 4 year 2009, no further reporting requirements were recommended. RESPECTFULLY SUBMITTED this 3rd day of February, 2010. 5 6 SNELL & WILMER LLP. 7 8 Jeffrey W. Crockett Robert J. Metli 9 One Arizona Center 400 E. Van Buren 10 Phoenix, AZ 85004-2202 Attorneys for Farmers Water Co. 11 12 ORIGINAL and thirteen (13) copies filed this 3rd day of February, 2010, with: 13 Docket Control 14 Arizona Corporation Commission 1200 West Washington Street 15 Phoenix, AZ 85007 16 COPY of the foregoing hand-delivered on this 3rd day of February, 2010, to: 17 Steve Olea, Director 18 **Utilities Division** ARIZONA CORPORATION COMMISSION 19 1200 West Washington Phoenix, AZ 85007 20 Janice Alward 21 Chief Legal Counsel Legal Department 22 Arizona Corporation Commission 1200 West Washington Street 23 Phoenix, AZ 85007 24 Lyn Farmer, Hearing Division ARIZONA CORPORATION COMMISSION 25 1200 West Washington Phoenix, AZ 85007 26 27 1 Negative number is based on the difference in gallons due to the storage capacity of 28 20,500 gallon storage tank for that system.

| 1 2 3 4 5 | COPY of the foregoing mailed on this 3rd day of February, 2010, to: Jane Rodda, Administrative Law Judge Arizona Corporation Commission 400 West Congress Street Tucson, Arizona 85701 |
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| 4.39% 4.03% 1.34% | Ī | | | > | | | | |
|-------------------------|----------------|------------|------------------|---------------------------|------------|------------|----------|-----------|
| 03% | 0.101 1. | 33 | 2428 | 0 | 0 | 2428 | 2461 | Dec. 09 |
| 39% | | 105 | 2492 | 0 | 4 | 2488 | 2597 | Nov. 09 |
| 200 | 0.278 4. | 91 | 1976 | 0 | 17 | 1959 | 2067 | Oct. 09 |
| 2.12% | | 84 | 3897 | 0 | O | 3891 | 3981 | Sep. 09 |
| 7.88% | _ | 207 | 2421 | 0 | 0 | 2421 | 2628 | Aug. 09 |
| 5.82% | | 209 | 3380 | 0 | 0 | 3380 | 3589 | Jul. 09 |
| 4.88% | 0.448 4. | 146 | 2845 | | 0 | 2845 | 2991 | Jun. 09 |
| 8.24% | 0.844 8. | 275 | 3064 | 0 | 0 | 3064 | 3339 | May. 09 |
| 2.77% | | 103 | 3622 | 0 | 0 | 3622 | 3725 | Apr. 09 |
| 4.16% | 0.396 4. | 129 | 2974 | 0 | 0 | 2974 | 3103 | Mar. 09 |
| 4.91% | 0.439 4. | 143 | 2767 | 0 | 0 | 2767 | 2910 | Feb. 09 |
| 5.06% | 0.405 5 | 132 | 2476 | 0 | 0 | 2476 | 2608 | Jan. 09 |
| Percent | Acre Feet Pe | (1000's) / | (1000's) | (1000's) | (1000's) | (1000's) | (1000's) | |
| Slippage | Difference Sli | Gallons (| For/Sold | (flushing) | Sold | Sold | Pumped | |
| +/- | · | Difference | Accounted | Sold | Gallons | Gallons | Gallons | |
| | | | Total Gals | Other Gals | Construct. | | Total | |
| | | | | | | | A | SAHUARITA |
| | | | YEAR 2009 | CALENDAR YEAR 2009 | | PWS 10-048 | PWS | |

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| 8.17% | 42.976 | 14004 | 157411 | 15703 | 133 | 141575 | 171415 | TOTALS: |
|----------|------------|------------|------------------|---------------------------|------------|------------|----------|-------------|
| 6.42% | 2.072 | 675 | 9842 | 0 | 5 | 9837 | 10517 | Dec. 09 |
| 12.07% | 5.285 | 1722 | 12540 | 904 | វា | 11631 | 14262 | Nov. 09 |
| 1.46% | 0.597 | 194 | 13095 | 1482 | 8 | 11605 | 13289 | Oct. 09 |
| 11.38% | 6.626 | 2159 | 16820 | 2310 | 0 | 14510 | 18979 | Sep. 09 |
| 10.53% | 5.746 | 1872 | 15914 | 2871 | 2 | 13041 | 17786 | Aug. 09 |
| 7.96% | 4.413 | 1438 | 16617 | 1916 | 10 | 14691 | 18055 | Jul. 09 |
| 6.36% | 2.848 | 928 | 13655 | 1410 | 60 | 12185 | 14584 | Jun. 09 |
| 5.69% | 2.848 | 928 | 15373 | 2787 | 27 | 12559 | 16301 | May. 09 |
| 8.12% | 3.885 | 1266 | 14319 | 1257 | 4 | 13058 | 15585 | Apr. 09 |
| 6.51% | 2.221 | 724 | 10383 | 766 | œ | 9609 | 11106 | Mar. 09 |
| 9.18% | 2.648 | 863 | 8541 | 0 | ω | 8538 | 9404 | Feb. 09 |
| 10.69% | 3.787 | 1234 | 10312 | 0 | 2 | 10310 | 11546 | Jan. 09 |
| Percent | Acre Feet | (1000's) | (1000's) | (1000's) | (1000's) | (1000's) | (1000's) | |
| Slippage | Difference | Gallons | For/Sold | (flushing) | Sold | Sold | Pumped | |
| +/- | | Difference | Accounted | Sold/F-11 | Gallons | Gallons | Gallons | |
| | | | Total Gals | Other Gals | Construct. | | Total | |
| | Ī | | - | | | | ITAL | CONTINENTAL |
| , | | | YEAR 2009 | CALENDAR YEAR 2009 | | PWS 10-049 | PWS | |

Note: The source readings were not taken consistently each month, example; Sept./Oct. This resulted in high slippage one month, and low slippage the subsequent month. Farmers Water Co. has addressed this issue.

| 3.83% | 10,920 | 3558 | 89440 | 0 | 1820 | 87620 | 92998 | TOTALS: |
|----------|------------|------------|------------------|---------------------------|------------|------------|--------------------|-----------|
| 3.18% | 0.607 | 198 | 6019 | 0 | 388 | 5631 | 6217 | Dec. 09 |
| 9.87% | 2.506 | 817 | 7457 | 0 | 468 | 6989 | 8273 | Nov. 09 |
| 5.83% | 1.409 | 459 | 7410 | 0 | 658 | 6752 | 7869 | Oct. 09 |
| 5.88% | 1.538 | 501 | 8020 | 0 | 134 | 7886 | 8521 | Sep. 09 |
| 1.67% | 0.362 | 118 | 6963 | 0 | 26 | 6937 | 7081 | Aug. 09 |
| 4.57% | 1.188 | 387 | 8085 | 0 | > | 8084 | 8472 | Jul. 09 |
| 1.50% | 0.335 | 109 | 7155 | 0 | ယ | 7152 | 7264 | Jun. 09 |
| 1.36% | 0.356 | 116 | 8392 | 0 | 0 | 8392 | 8508 | May. 09 |
| 2.37% | 0.700 | 228 | 9385 | 0 | 6 | 9379 | 9613 | Apr. 09 |
| 3.18% | 0.721 | 235 | 7150 | С | <u> </u> | 6607 | /385 | Mar. 09 |
| 8.57% | 1.808 | 589 | 6284 | 0 | 43 | 6241 | 6873 | Feb. 09 |
| -2.86% | -0.608 | -198 | 7120 | 0 | 42 | 7078 | 6922 | Jan. 09 |
| Percent | Acre Feet | (1000's) | (1000's) | (1000's) | (1000's) | (1000's) | (1000's) | |
| Slippage | Difference | Gallons | For/Sold | (flushing) | Sold | Sold | Pumped | |
| +/- | | Difference | Accounted | Sold | Gallons | Gallons | Gallons | |
| | | | Total Gals | Other Gals | Construct. | | Total | |
| | | • | | | | | SANTA RITA SPRINGS | SANTA RIT |
| | | | YEAR 2009 | CALENDAR YEAR 2009 | | PWS 10-213 | PWS | |

Note: Negative number(s) for Difference in Gallons is within storage capacity of 1,000,000 gallon storage tank.

One foot of storage equals 41,667 gallons.

| -1.08% | -0.078 | -26 | 2384 | 0 | 685 | 1699 | 2358 | TOTALS: |
|----------|------------|------------|------------------|---------------------------|------------|------------|---------------------|-------------|
| | | | | | | | | |
| -24.27% | -0.077 | -25 | 128 | 0 | 0 | 128 | 103 | Dec. 09 |
| 4.72% | 0.055 | 18 | 359 | 0 | 218 | 141 | 377 | Nov. 09 |
| -3.17% | -0.012 | -4 | 130 | 0 | 0 | 130 | 126 | Oct. 09 |
| | | | | | | | | |
| -5.10% | -0.049 | -16 | 330 | 0 | 130 | 200 | 314 | Sep. 09 |
| 5.55% | 0.037 | 12 | 205 | 0 | 8 | 197 | 218 | Aug. 09 |
| -59.93% | -0.232 | -75 | 201 | 0 | 0 | 201 | 126 | Jul. 09 |
| | | | | | | | | |
| 16.81% | 0.087 | 28 | 141 | 0 | 4 | 137 | 169 | Jun. 09 |
| -1.80% | -0.015 | ψ | 271 | 0 | 145 | 126 | 266 | May. 09 |
| 7.39% | 0.038 | 12 | 153 | 0 | 0 | 153 | 165 | Apr. 09 |
| | | | | | | | | |
| -20.20% | -0.146 | -48 | 284 | 0 | 180 | 104 | 236 | Mar. 09 |
| 32.64% | 0.135 | 44 | 91 | 0 | 0 | 91 | 135 | Feb. 09 |
| 26.71% | 0.101 | 33 | 90 | 0 | 0 | 90 | 123 | Jan. 09 |
| Percent | Acre Feet | (1000's) | (1000's) | (1000's) | (1000's) | (1000's) | (1000's) | |
| Slippage | Difference | Gallons | For/Sold | (flushing) | Sold | Sold | Pumped | |
| +/- | | Difference | Accounted | Sold | Gallons | Gallons | Gallons | |
| | | | Total Gals | Other Gals | Construct. | - | Total | |
| | | - | | | | Š | SAHUARITA HIGHLANDS | SAHUARIT. |
| | | | YEAR 2009 | CALENDAR YEAR 2009 | | PWS 10-414 | PWS | |

Note: Negative numbers for Difference in Gallons is within storage capacity of 200,500 gallon storage tank. One foot of storage in the tank equals 12,500 gallons, thus July gallons sold dropped the level in the storage tank six (6) feet.

This Public Water System was constructed at the height of the housing boom. There are 153 lots available. Currently, there are only 23 houses and two (2) irrigation meters. As a result, the well runs every 3-4 days.